

was explained that we were anxious that an open vote should be taken at Dunedin so as to ascertain exactly what proportion of butterfat was behind the proposition, and what proportion was against the scheme. It was the opponents of the scheme who objected to an open ballot, and as a consequence we were denied an open ballot and had to have a secret ballot, and it was taken on the basis of the election of the South Island Association, which gave the larger factories two votes, and you will see that some had two votes while others had one, and therefore the figures are perfectly *bona fide*. As I said before, sir, it was urged that I had misrepresented the actual feeling through the country. In connection with that I desire to say that wherever I have spoken I am convinced there is a growing feeling in favour of the Bill. Now, the question of Taranaki and Stratford has been quoted in connection with this matter, and I would like to make it clear that I did not attend the first meeting at Stratford where a resolution was carried referring the matter back to the factories, and that the vote be returnable in a month's time. As a consequence, when I found there was some uncertainty as to the position in Taranaki I went to Stratford. The itinerary I took was Auckland at the end of May, and then I went to Hamilton, and at that place we found that even the opponents of the Bill agreed to every principle in the Bill, and they said finally if this were done without compulsion they would be with us all the way. When I was in the South Island I went to Christchurch and afterwards to Leeston, where an energetic campaign had been carried out some months before against the Bill, but although that was in the centre of a district controlled by an opposing company we got a unanimous resolution in favour of the Bill. In Dunedin the figures were eighty-nine to thirty-eight, and it was generally felt throughout the southern district that the opposition to the Bill had collapsed. When I returned from the Southland district I went to Rangiora, and at that place I received an equally favourable reception. I afterwards went to Stratford, and I found that a good deal of propaganda work had been going on against the Bill during the preceding month. Fully a dozen men who were at that meeting said to me afterwards, "If you had been here for the first meeting we are satisfied that all would have been well, but we have received our instructions in the meantime from our factories, and we are instructed to vote against the Bill." I may say also that I gained the same impression from various other people with whom I came in contact when I was in Stratford. I wish to make it perfectly clear that I am not speaking with personal pride in this matter at all, and I simply regard it as indicating the trend of thought. When once the people realized what we were asking for, then we have received the support of the majority of them. With a view to making the position absolutely clear we compiled a list of the various factories supporting the Bill and those opposing it, so as to be sure of the position for ourselves, and that has been done right up to last week. The list, as far as we can define it, shows the actual position of affairs throughout the country at the present time, and it represents a percentage in favour of the Bill of 76, and 24 per cent. against it. Those are the factories that have voted and declared themselves in favour of the Bill, and the factories that have voted and declared themselves against it.

3. *Mr. Masters.*] All over New Zealand?—Yes. I may say, gentlemen, for your information that we have not taken anything that has not been definitely recorded, and there are a comparatively small number of factories that have not recorded their votes in this list. I desire to put in the list of the factories so that you can see the actual position for yourselves, and, as I said before, it shows that 76 per cent. of the factories were in favour of the Bill and 24 per cent. against it. [List put in.] Now, sir, in dealing with the various matters throughout the country with reference to the industry I have mentioned the various discrepancies in the price realized for the New Zealand produce as compared with the Danish article, and I have noticed when dealing with some of my observations throughout the country the critics who appeared before this Committee have got some of the issues rather badly confused, inasmuch as they have confused one statement of fact with another statement of fact, and in consequence they have not clearly stated the position as I did when addressing the various representatives of the industry throughout the country. In analysing those figures I drew attention to the fact that whenever there was a serious slump in the price of dairy-produce in the Old Country it was always the New Zealand price that slumped out of all proportion to that of the Danish price, and while the average difference of price taken over a period of forty-one weeks during the last season was 13s. per hundredweight, yet whenever there was a slump in the price on the market the price of New Zealand produce went down out of all proportion with the level of the Danish price, and as a consequence during the first slump—namely, from the beginning of December until the middle of last January—there was an average weekly difference between the Danish price and the New Zealand price of 26s. per hundredweight. Seeing that there were 790,000 boxes of butter marketed at that time from New Zealand, I find if we had taken an average price we lost £290,000 as compared with the level of the Danish price during that period of seven weeks; but when I spoke of those figures throughout the country I said the only reliable figures—the absolutely reliable figures—that we could take would be to take out the different shipments from week to week, as with a varying average price and a varying amount in each shipment, the only way to arrive at an accurate estimate of what was lost would be to take shipment for shipment, and I propose to show you how that places us now. Before this Committee Mr. Maxwell said that by taking these average prices it was not a fair indication of the relative position of the New Zealand and Danish butter, and he quoted actual account sales to prove that the figures I have given were not reliable. Now, to show you how absolutely unreliable it is for any one to quote account sales from any particular ship I asked one of our exporting houses to give me a list of the highest and lowest prices which were known to have been realized during this last season out of any given ship's bottom, and I find there was a variation in cheese of as much as 18s. per hundredweight out of the same ship, and there was a variation in butter of as much as 54s. per hundredweight out of the same ship, so it will be seen in quoting account sales that anything can be proved from the figures that are given. Now, my method in endeavouring to arrive at an absolutely reliable position was to take the